



**SPECIAL MEETING OF THE COMMON COUNCIL
MIDDLETOWN CONNECTICUT
MAY 5, 2014**

Special Meeting The Special Meeting of the Common Council was held in the Council Chamber of the Municipal Building on Monday, May 5, 2014 at 6 p.m.

Present: Councilman Thomas J. Serra, Councilwoman Mary A. Bartolotta, Councilwoman Hope P. Kasper, Councilman Grady L. Faulkner, Jr., Councilman Carl R. Chisem, Councilman Gerald E. Daley, Councilman James Streeto, Councilman Sebastian N. Giuliano, Councilwoman Deborah A. Kleckowski, Councilwoman Sandra Russo Driska, Councilman David Bauer, Sergeant-at-arms Chief of Police William McKenna, and Council Clerk Marie Norwood

Absent Mayor Daniel T. Drew, Corporation Counsel Daniel B. Ryan, Councilman Robert P. Santangelo

Also

Present Public Works Deputy Director William Russo, Finance Director Carl Erlacher, Acting Director of IT Eldon Bailey, Water and Sewer Director Guy Russo, Parking Director Geen Thazhampallath, City Attorney Brig Smith, Chief of Police William McKenna, Acting Recreation and Community Services Director Deb Stanley, Tax Assessor Damon Braasch, Acting Fire Chief Robert Kronenberger, Director of Communications Wayne Bartolotta, Director of Human Relations Faith Jackson, Director of Health Joseph Havlicek, MD, Arts Coordinator Stephan Allison, City and Town Clerk Linda Bettencourt, Emergency Management Director Bruce Driska, Russell Library Director Arthur Meyers, Youth Services Coordinator Justin Carbonella, Planning, Conservation, and Development Acting Director Michiel Wackers and ten Members of the Public

1. Mayor calls meeting to order.

The Chair leads the public in the Pledge of Allegiance and calls the meeting to order at 6:30 p.m. He welcomes everyone to the meeting.

The Chair declares the call a legal call and the meeting a legal meeting at 6:32 p.m.

2. Questions to Directors Opens

Councilman Bauer asks questions of Acting Director Michiel Wackers, Planning, Conservation and Development concerning the sale of land to ARCONN; he asks how much was it worth when the City bought it and what is its assessed value. Mr. Wackers states you are talking about 10E, a lot the City acquired to prevent the U.S. Government to acquire an Industrial area in order to taken taxable industrial land off the tax list, the City took an option on a lot if the City could sell Cucia Park. Councilman Bauer was trying to save time and states the City paid for the lot \$450,450. Mr. Wackers states that is correct; it is valued at about \$100,000 to \$150,000 at the time, but the \$450,000 figure was to preserve 12 industrial lots. It was an effort to prevent U. S. Government from taking taxable land. Councilman Bauer asks if this is what the former Director of Planning would have told him. He remembers being told it was a good purchase and land banking back then. Mr. Wackers has gone through the files and reviewed the time line and used the justifications and in main it was to keep 12 industrial lots on the tax rolls and to prevent them from being taken by the U. S. Government. Councilman Bauer states there are three milestones and the second is the Westfield Fire Department did some land banking and they paid \$50,000 to take a portion of that lot and what was the assessed value of the portion they took at that time. Mr. Wackers responds he can't tell what the value was; it was a small piece of property and was triangular on Middle Street and not a large area. He would have to defer to an appraiser or the assessor. Councilman Bauer states they paid \$50,000 for it. He is finding it difficult that they paid \$450,000 and we expressly valued it at \$150,000 and it was the oddest shaped lot. Then we sold off part of it and now we are going to take a further loss on the remainder of the lot. If they operated with their own money, they would be bankrupt. Are you saying \$75,000 is a fair price for the lot we paid \$450,000 for? Mr. Wackers responds the \$75,000 since it has an access strip at the back of the property, it is within the area of the value of the property and the second

whereas justifies the \$450,000 and he reads from the resolution. The acquisition of the one lot was to preserve the 12 industrial lots. Councilman Bauer states he didn't ask for the current explanation, but he was there for the initial purchase and the option at one point in time was for three lots. Mr. Wackers responds he doesn't recall, but he did review the information for the whereas clauses. Councilman Bauer asks when the property was sold by Bysiewicz to the City there was a particular lawyer that handled the sale of the property and when it was transferred to Westfield Fire there was a particular lawyer that handled the transaction; and are you comfortable dealing with the same lawyer at every step dealing with this same property transaction. Mr. Wackers replies the lawyer you are discussing, can you tell me his name. Councilman Bauer responds Attorney Dowling.

Point of Information. Councilman Serra states that is not proper; normally that goes through professional services. He doesn't see how it fits in. Councilman Daley states the attorney was not representing the City, but the other party. So the other party can choose who they want to represent them. I don't see where you are going.

Meeting Recessed

The Chair states we need a five minute recess to change the disk.

Meeting Reconvened

The Chair calls the meeting back to order.

Councilwoman Driska asks Michiel to address agenda item 12D, the \$12,000 form EDC fund for Metro Square block. Mr. Wackers responds in order to fully fund the Metro Square design study, they need \$60,000 for the fee. They have \$18,000 set aside and \$12,000 will bring it to \$30,000 the portion that Planning would like to bring to the table. His understanding is the Parking Department is looking to get \$30,000 put into the project so the \$12,000 is key component to make sure there is enough to do the study. Councilwoman Driska asks for the Parking Director at this time. She states she is on Economic Development and the Parking Advisory Committee and is familiar with the project and the questions being asked. She would like to inform her colleagues and the members of the public. She asks Geen how this came about. Mr. Thazhampallath responds that he was approached by Planning and Zoning who was in the midst of the process to study Metro Square. One of the aspects critical to the project is the redevelopment and construction of the parking garage. That had become part of the study of the work being performed by the consultants. The parking garage is a key component to that plan and they approached the Parking Advisory Committee about supporting that study with dollars from the Parking Fund. As you may be aware, we are planning to go to referendum on a new multi-level structure for the parking garage. Without that component, the rest of the development could not happen. It is critical that we have a public-private partnership to do this. Councilwoman Driska asks where the money is coming from. Mr. Thazhampallath replies because Parking Advisory decided not to fund from the Parking Fund; it is usually used for infrastructure needs, etc. It could have been used for the study. We have, we believe, approved in November 2013 an appropriation of \$125,000 for repairs to the existing garage. Engineers have scoped the project and in your packet you have their letter to me. We asked for three options. The last was a list of priorities that needed to be addressed and that came back as \$20,000 to \$25,000. Since those recommendations, they looked at concrete work and pavement work and that package is between \$75,000 and \$80,000 leaving roughly \$45,000 in excess. Usually what happens with excess, we return it to the General Fund; this time because of the critical nature of the project and instead of doing another appropriation, let us shift it to a new line. They want to utilize the funds for the study to complement the funds from Planning and Zoning. Councilwoman Driska calls for the Finance Director, Carl Erlacher. She states is this an appropriate way to do this. Mr. Erlacher states he did meet with Geen and General Counsel and rather than do just a transfer, the minimum should be a resolution form to be displayed to the public and the original was an appropriation and it would be passed by resolution form. Councilwoman Driska states this is done okay financially. Mr. Erlacher responds yes. Councilwoman Driska asks for Michiel; she asks how the \$60,000 number came about. Mr. Wackers responds back in December the Department and Purchasing put out a request for qualifications; it is a request that you are selecting the most qualified vendor you interview. After you go through the selection process, you don't open up the cost until after and then you negotiate a price and try and come to an accommodation on what you feel the price should be. It is more justifiable. They did go through that process in this case; they had 11 vendors submit and four were qualified to be interviewed. After interviewing them, they ranked them and selected Leyland Alliance and Centerplan. We opened the prices after the choice and they came in at \$80,000 and negotiated with them to \$60,000. That is how we got to the price. Councilwoman Driska states originally it was going to be a \$25,000 project; can you talk about from your professional opinion were they ranked appropriately and what they are including for the \$60,000 that the others are not for less money. Mr. Wackers states they wanted more than a study; it is actually getting people interested in the property and creating something of interest for Middletown and the taxpayers. In terms of what they are providing, they will not only do the design, engineering and feasibility, they will also do a market study. They will hire a subcontractor for the study and doing a market study, they range from \$15,000 to \$40,000. What we are looking for is housing and mixed use in an urban setting; they will look at if there is a market for these uses in the downtown area where they don't exist, mostly luxury housing. Councilwoman Driska asks if the study is worth the investment of the money. Mr. Wackers responds very much so. They will have to do this to be taken seriously. Councilwoman Kasper asks for Mr. Thazhampallath; her question is in regard to the repairs and

their approval of the request and that they were needed. How is it the dollar amount changed. Mr. Thazhampallath responds that a visual inspection by the engineer firm about what they saw and ball parked \$125,000 for extensive repairs; and since that time they have taken care of some repairs and found others so there have been additions and subtractions. What you see in the letter is taking what was listed in the June report with ballpark figures; the \$125,000 was too high and the ball park figures were to weatherproof it. They would have to take off the top deck and fix joints and that is the price tag at \$500,000. When the reports came back, the engineers stated it was not worth that investment since the City is planning on building a new garage. Councilwoman Kasper states her concern is that the engineers stated the situation is getting worse and she wants to be sure if we remove the \$30,000 and put it to another study that you have the adequate money for the repairs. Do you feel comfortable with that. Mr. Thazhampallath states he does feel comfortable with that; he is the one who broached using these funds. You can see the original is well below \$125,000. Councilwoman Kasper states the crumbling concrete will be removed and the necessary repairs will be taken care of.

Meeting Recess

The Chair calls for a recess to open the regular meeting.

Meeting Reconvened

The Chair reconvenes the meeting at 7:13 p.m.

Councilman Giuliano states the \$30,000 is coming from an appropriation of November 4, 2013 and you will not use all that money for its intended purpose. He states he doesn't know if it can be accomplished by resolution. This would amend an ordinance with a resolution and he doesn't think it can be done. Mr. Thazhampallath states it was discussed and he will yield to Brig Smith and Carl Erlacher. Councilman Giuliano states an unexpended appropriation usually returns to the General Fund where it can be appropriated out again. Wouldn't it be a better way to handle it. Attorney Smith responds one thought was to do it interdepartmentally; Geen could unilaterally move it from one line item to another under the existing financial ordinances. They think the better way to do it is by resolution to let everyone know this is what they are doing. We wanted to be transparent about it. Councilman Giuliano asks if they would be on more solid ground if they covered all the bases by allowing the funds to come back to the general fund and appropriate it again. Attorney Smith responds they could do it, but they are accomplishing the transparency goal and time is important. They are trying to do this project and done and report back by July 1. It would be extending some credit to Leyland and Alliance to do the work on credit. It is policy and law driving us and that is why we are here. Councilman Giuliano states he has questions for General Counsel. Councilman Faulkner states asks what the scope of the project is. Mr. Thazhampallath responds he was not part of the process. They will look at the functionality of the garage, its utility, and the potential development in and around that block. We are placing the garage in such a fashion to help the development. It will help us understand how best to use the area. Parking, Bill Warner told me this, drives economic development and goes hand in hand and this is one of those cases seeing a stark example. Councilman Faulkner states we have had two or three studies on this. Mr. Thazhampallath responds they are useful history but we are now at the precipice of going to a referendum with a conceptual design and now are faced with the thoughts we never had; we always had it in the clouds and now we are in the nitty gritty.

The Chair recognizes Councilwoman Bartolotta. She asks the fixes you described, are they permanent fixes. Mr. Thazhampallath responds no; they are being done with an eye toward having the garage in place for the next two to three years. He can't guarantee every single issue will not come out any more. We are taking a comprehensive approach; we are putting netting down below, dealing with specific problem areas, but he can't say it is a 100% fix. Councilwoman Bartolotta states they talked about shutting the bottom part and we would have to pay for parking in other places in town and it would be over the \$125,000; if you can go forward with the fix, wouldn't we be better off closing it. Mr. Thazhampallath states we are talking about the lower level and he can close it tomorrow. There is a significant operational value with the Police Department operations if he closed it. In the winter they put the cruisers under cover so they can get out quickly. Sometimes emergencies happen and we have to get to an emergency and closing it could hamper that. We have to really think it out. He is trying to keep it open for us; they only have staffer police cars in that location. Councilman Giuliano has the floor for the City Attorney and asks that they get through the questions to directors because they have a full agenda. Councilman Giuliano states he wants to discuss items 12A and 12J; these two items are represented as coming from your department. It is a little odd to have something that has sole providence of the legislative branch come out of an executive branch department. Can you tell me who prepared the resolution; Attorney Smith states he prepared the resolutions with the help of Marie Norwood and they had a consultation with Steve Mednick, an expert in this area. Councilman Giuliano asks who he met with. Attorney Smith replies the Mayor and Councilman Serra and to queue it up to have the Charter Revision Commission talk about these things and the goal was to do it for the general election cycle. Councilman Giuliano asks who gave him the second resolution with the names and who came up with them. Attorney Smith replies he doesn't know who came up with them. Councilman Serra states it came through the Democratic Caucus with individuals who were interested. Councilman Giuliano states he was about to get an answer from the City Attorney and it was sounding different from what you said. Attorney Smith responds he was going to say he got the names from the Mayor and Councilman Serra, but ultimately does not know where they came from. Councilman Giuliano notices the resolution to

have Charter revision is a bare resolution with no guidance; was there a discussion about what parts of the charter we should be looking at. Attorney Smith states it is a framework to look at the Charter; he has a memo to the Council on what the process should look like and a proposed timeline for the process. He hands it out. Councilman Giuliano states it came from your office. Councilwoman Kleckowski asks for Michiel Wackers. She has two questions. When you put out the RFQ was there a monetary amount attached to it. Mr. Wackers states he doesn't remember. Councilwoman Kleckowski comments that she was told it was \$25,000. Mr. Wackers believes there was \$25,000 available, but not attached to the request for qualifications; it is not tied to a dollar figure. Councilwoman Driska asks for a point of clarification and states there was clarification from Bill Warner that that money was put aside by the City but it was not known by the public. Someone researching could have found it out, but it was not published.

Councilwoman Kleckowski asks for the person who was selected, is there a contract; Mr. Wackers states there is a draft contract that still needs to go before the Mayor. She asks if it will go before EDC. Councilman Daley responds that EDC authorized the Mayor to retain the Leyland Alliance Centerplan through the process we went through subject to just negotiating on the price; the action is in place to authorize the Mayor to sign. The Professional Services is in place and lets the Mayor, Finance Director, and Department Director to do this. Mr. Wackers responds they are following the City Ordinance for Professional Services. EDC was the interview body, but in terms of getting the vendor on contract, they are following City ordinances. Councilman Bauer asks there are several tax abatement elements; do they all conform to the strictures outlined by State statutes. Mr. Wackers responds yes and to the Tax abatement ordinance on the books. Councilman Bauer asks about the fairness about the people who responded to the study on Metro Square and when did they know it about the dollar amount. Is there anything you can clarify and did they all know the same dollar amount at the same time. Mr. Wackers states if they follow the request for qualifications process, there is no dollar amount until after you negotiate with your top vendor. No matter what anyone issued for a price, they would have had to negotiate. Depending on the services you wanted to include, the prices could go anywhere. They wanted the best quality for the funds they would spend. Councilman Bauer states all the respondents but one adhered to a certain dollar amount and the one that did not get the contract. Councilman Serra states it is for the Finance Director. Councilman Giuliano states his questions are for the Acting Planning, Conservation, and Development Director. He asks about the Cucia Park sale and explains that they sold the park and put aside \$450,000 which was intended to replace Cucia Park. A number of citizens objected to the loss of the Park and the money was then spent to purchase the lot. The value was still there and they would ultimately sell the lots and keep the promise with the proceeds. It doesn't seem if we sell it for \$75,000 we can do that. Mr. Wackers states his understanding is that they sold Cucia Park because they had the option on those lots on Bysiewicz and the only reason to buy the lot was to keep the Army from buying that subdivision and would be forced to buy Cucia Park. Councilman Giuliano responds that is correct. Once the Army bought Cucia Park we were under an obligation to buy the lots. The lots were held aside in anticipation that the Army would buy Cucia Park. Part of the Cucia Park project was money would be set aside for a replacement park. The Council took \$1.5 million into the operating budget so there was only 1/2 million left and it went to the option. The Chair asks if there is a question. Councilman Giuliano states do you recall the discussion that the value was in that lot that ultimately come back to the City and honor that promise. Mr. Wackers replies when he looks at timing and how it is triggered, the option was to preserve the entire subdivision and we were successful because we forced the Army to buy Cucia Park and keep it on the tax rolls. You could look at it as an investment, but the investment was in saving the 12-lot subdivision. Councilman Giuliano asks if there is any way to get more than \$75,000 for the lot. Mr. Wackers responds that the City is recouping its investment by retaining the subdivision. Councilman Giuliano asks if they can get more than \$75,000; Mr. Wackers states his understanding that lots in the IT zone are going for around \$100,000. Those are for lots with frontage on a city street; this lot is accessed by a rear strip and I believe the \$75,000 is a fair value. Councilman Giuliano states you think that is the best we can do. Mr. Wackers responds we have the opportunity to attract a business from Hartford, bringing 200 jobs to the City and is definitely putting up two buildings and they want to build a third. The City will recoup the money with this. Councilman Serra asks for the Finance Director, Carl Erlacher. He states it is the added item 10G, for informational purposes and we were upgraded on our bonding from AA to AA+ and he would like to say kudos to the Finance Department, to the Council's for the last 8 years and Mayor's involved. He asks Mr. Erlacher to make the public aware of what this means to Middletown. Mr. Erlacher states to be AA+ is one step away from AAA. We can't be a AAA because we don't have the per capita income, but the increase rating will enable us to get a lower interest rate, which in turn saves tax dollars. It is the report card of all of us. It starts with Department Director's staying in their budgets all the way up to this Council and past Councils and Mayors, Finance and Government Operations. It is an accomplishment by all and not by one. Councilman Serra asks about the criteria used by the rating agencies. Mr. Erlacher responds they look at policies and procedures, fund balance, tax base; they look at a lot of things. We rated pretty strongly in all those areas. Councilman Serra states this Council and prior Councils did this well. Mr. Erlacher yes; you will get lower interest rate with higher bond rating. Councilman Serra congratulates the Council and staff for their work to get this rating and this is the first time ever. Mayor states it was a true team effort and recognizes Councilwoman Russo Driska. She asks for Deputy Chief Krohl from South Fire District. David Gallitto, Fire Commissioner accompanies him to the podium. Councilwoman Driska asks the Deputy Chief why LoCIP is coming from this Council to the district. He responds presently we don't have the capability to speak with surrounding departments that they respond to on a mutual basis. The

radios will allow us to communicate with those departments and with city departments. There is a device called repeater and it will allow the repeaters to be upgraded as well.

3. Questions to Directors Closes.

The Chair closes the Questions to Directors and asks for a motion to adjourn.

4. Meeting adjourned.

Councilman Streeto moves to adjourn. Councilman Giuliano seconds the motion. The chair calls for the vote. It is unanimous to approve with 12 aye votes. The chair states the matter passes unanimously with 12 affirmative votes.

ATTEST:

MARIE O. NORWOOD
COMMON COUNCIL CLERK